GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1132
ANSWERED ON:24.10.2008
MONITORING OF INSURANCE COMPANIES
Rao Shri Sambasiva Rayapati

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has conducted any study on the performance of the private insurance companies;

(b) if so,the details thereof and if not,the reasons therefor;and

(c) the steps taken by the Government to formulate mechanism for monitoring the performance of the private insurance companies?

Answer

The Minister of State in the Ministry Of Finance (Shri Pawan Kumar Bansal)

(a) to (c): The Insurance Regulatory & Devdopment Authority (IRDA) has informed that performance of all insurance companies including private insurance companies is monitored at periodic intervals.All insurance companies are required to file their annual accounts and solvency position with IRDA on quarterly and annual basis.While monitoring the performance of insurance companies, the Authority ensures that they meet the stipulated solvency margin of 150%. IRDA has also put in place a mechanism to supervise insurance companies and reviews the performance of companies through various returns covering broad areas such as Financials,Actuarial,Investments; and Reinsurance.The premium details,claims and grievances are also being monitored by the Authority.